

1
2
3
4
5
6
7 UNITED STATES DISTRICT COURT
8 CENTRAL DISTRICT OF CALIFORNIA-WESTERN DIVISION

9 Lillie Mae Washington,

10 Plaintiff,

11 vs.

12 AMERICAN HOME LOANS DIRECT,
13 Inc., a Delaware Corporation dba DE HDL,
14 Inc., its successors and assignees, OCWEN
15 LOAN SERVICING, LLC, a Delaware
16 Corporation, MORTGAGE ELECTRONIC
17 REGISTRATION SYSTEM, Inc., Hisham
18 Desouki, Christopher Cox, Jonathan Annett,
19 LODES CAPITAL ESCROW Inc., Nikki
20 Hall, FOX FIELDS FINANCIAL, Inc. ,
21 Christopher Fox, WESTERN
22 PROGRESSIVE, LLC and DOES 1-10
23 inclusive,

24 Defendants.

25 Case No.: 2:09-8213 SJO (RZx)

26 Honorable S. James Otero

27 **JOINT STATUS REPORT**

28 Hearing: July 27, 2010

 Time: 9:00 A.M.

 Dept.: 1

//

//

//

1 In anticipation of the Status Conference set for July 27, 2010, at 9:00 a.m., the parties
2 through their respective counsel submit the following Joint Status Report to the Court:
3

4 **A. COUNSEL FOR THE PARTIES**

6 Mitchell L. Abdallah, counsel for Plaintiff Lillie Mae Washington
7

8 Brent A. Kramer, counsel for Defendants Ocwen Financial Corp. & Mortgage Electronic
9 Registration Systems, Inc.

11 Fred S. Pardes, counsel for Defendants Lodes Capital Escrow, Inc. & Nikki Hall
12

13 **B. SUMMARY OF CLAIMS**

14 Lillie Mae Washington (“Plaintiff”) alleges the following:

15 This action arises from Predatory lending practices that led to a threatened foreclosure of
16 Plaintiff’s home. Plaintiff is a 96 year old woman that has been living in her home for 36 years.
17 Plaintiff was fraudulently induced to refinance her property to an adjustable rate mortgage.

18 In October 2006, the defendant American Home Loans’ agent persuaded Plaintiff’s now
19 deceased son, Hobert Washington, to obtain a loan from American Home Loans. American Home
20 Loans’ agents made fraudulent misrepresentations to the Plaintiff regarding the loan terms. Plaintiff
21 relied on these representations to her detriment. Defendant, American Home Loans, failed to
22 provide documents to the Plaintiff which are required under the Truth in Lending Act “TILA,” and
23 Housing Urban Development Act “HUD.”

24 In September 2009, Plaintiff contacted Defendant Ocwen for a loan modification. Plaintiff
25 did not hear back from Defendant Ocwen even though she sent them a completed application.
26 Around April 2010, Defendant Western Progressive sent Notices of Default in an aggressive and
27 harassing manner.

1 Based on these allegations, Plaintiff filed suit for violation of the Truth in Lending Act, 15
2 United States Code Section 1601, *et seq.*; violation of the Real Estate Settlement Procedures Act, 12
3 United States Code Section 2601, *et seq.*; rescission of contract; predatory lending practices; unjust
4 enrichment; violation of California Business and Professions Code Section 17200, *et seq.* (“UCL”);
5 violation of California Civil Code §§ 1709, 1571 et. seq.; negligent misrepresentations; violation of
6 Consumer Legal Remedies Act , California Civil Code §§ 1770(5)(9)(16)(19); breach of fiduciary
7 duties; and financial abuse of elders under California Welfare & Institutions Code § 15610.30.

8 Defendants, Lodes Capital Escrow and Nikki Hall deny any allegations of wrongdoing.
9
10

SERVICE OF PROCESS

13 All parties have been served in this matter. On 5/24/2010, the complaint was terminated as
14 to Defendants American Home Loans, De Hdl Inc. and Christopher Fox.
15

D. JOINDER OF ADDITIONAL PARTIES

18 The parties do not anticipate the joinder of additional parties at this time.
19

E. AMENDMENT OF PLEADINGS

22 The parties do not anticipate adding or dismissing any parties, claims, or defenses or to
23 otherwise amend the pleadings, but reserve the right to do so should additional facts become known
24 during the discovery process.
25

26 Defendant Lodes Capital Escrow Inc. contends the complaint is defective due to its lack of
27 specification of defendants as to each claim.
28

1 **F. JURISDICTION AND VENUE**

2
3 Jurisdiction is proper in this Court because plaintiff's Complaint includes claims for
4 Violation of the Truth in Lending Act, 15 United States Code Section 1601, *et seq.* and Violation of
5 the Real Estate Settlement Procedures Act, 12 United States Code Section 2601, *et seq.* All of
6 plaintiff's claims arise from the same controversies and series of events.
7

8 Plaintiff contends venue is proper in this Court. Defendants deny that venue is improper as
9 to Defendant Lodes which has its sole office in Orange County.
10

11 **G. ANTICIPATED MOTIONS**
12

13 Defendant Ocwen Financial Corp. and Mortage Electronic Registration Systems Inc have
14 filed a motion to dismiss Plaintiff's First Amended Complaint that is currently pending with the
15 Court.
16

17 Plaintiff has agreed to allow Defendant, Lodes Capital Escrow Inc. ("Lodes") & Nikki Hall,
18 until July 21, 2010 to respond to Plaintiff's First Amended Complaint. Defendant Lodes and Nikki
19 Hall will join in the pending motion to dismiss.
20

21 The parties also anticipate that discovery motions and/or other motions including, but not
22 limited to, motions in limine may be filed, depending upon how the case progresses.
23

24 **H. ANTICIPATED DISCOVERY**
25

26 The parties believe that discovery should be deferred pending the pleadings challenges and
27 until such time as the pleadings are set. This approach will ensure that judicial resources and those
28

1 of the parties are not directed toward claims and issues that will not be part of the case going
2 forward.

3

4 **I. PROPOSED DISCOVERY PLAN**

5

6 (1) All parties agree that the exchange of Initial Disclosures should be deferred until 30
7 days after the last defendant files an answer or responsive pleading to the then-operative complaint.

8 (2) The parties do not believe that phased discovery is needed.

9 (3) The parties do not currently foresee any discovery issues or disputes that require the
10 Court's involvement. Should any such issue arise, the parties agree to work together in good faith to
11 resolve the issue but will promptly submit any such issue to the Court for resolution if required.

12 (4) All parties agree that the limitation on discovery set by the federal and local rules
13 should govern unless a party makes a showing that additional discovery is required and obtains an
14 order from the Court approving such discovery.

15

16

17 **J. SCHEDULING OF FURTHER PROCEEDINGS AND COMPLETION DATES**

18

19 The parties believe that any discovery plan and other issues, including the Federal Rules of
20 Civil Procedure 26(f) conference should be continued in this matter until pleadings are closed.

21

22 **K. APPROPRIATENESS OF SPECIAL PROCEDURES**

23

24 No special procedures are contemplated at this time.

1 **L. JURY TRIAL DEMAND**

2

3 Jury has been demanded.

4

5 **M. ESTIMATE OF TRIAL TIME**

6

7 The parties estimate a 4-5 day jury trial.

8

9 **N. PROPOSED MODIFICATION TO STANDARD PRETRIAL PROCEEDINGS**

10

11 The parties do not currently anticipate any need to modify the standard pretrial procedures.

12

13 **O. RELATED CASES**

14

15 No related matters.

16

17 **P. SETTLEMENT**

18

19 The parties are willing to participate in mediation, but believe that mediation will only be

20 effective if it takes place after the pleadings are settled and discovery is underway. The parties do

21 not consent to the trial judge or magistrate judge acting as settlement judge at this time.

22

23 **Q. VOLUNTARY DISPUTE RESOLUTION PROGRAM.**

24

25 The parties are willing to participate in mediation, but believe that mediation will only be

26 effective if it takes place after the pleadings are settled and discovery is underway.

27

28

1 **R. OTHER MATTERS THAT MAY BE CONDUCIVE TO THE JUST AND**
2 **EXPEDITIOUS DISPOSITION OF THE MATTER**

4 The parties are not aware of any other matters that should be discussed at this time.

5
6 DATED: July 19, 2010. ABDALLAH LAW GROUP

7
8 By /s/ Mitchell L. Abdallah
9 Mitchell L. Abdallah
10 Attorney for Plaintiff
11 Lillie Mae Washington

12 DATED: July 19, 2010. Houser & Allison, A Professional Corporation

13
14 By /s/ Brent A. Kramer
15 Attorneys for Defendant
16 Ocwen Financial Corp. & Mortgage Electronic
17 Registration Systems, Inc.

18 DATED: July 19, 2010. Law Offices of Fred S. Pardes

19
20 By /s/ Fred S. Pardes
21 Attorneys for Defendant
22 Lodes Capital Escrow, Inc. & Nikki Hall